

SUMGAIT CHEMICAL INDUSTRIAL PARK



www.scip.az

Office of the Trade Representative
Embassy of Azerbaijan to the P.R. China

ABOUT SCIP



1

The Sumgait Chemical Industrial Park and its managing organization the Sumgait Chemical Industrial Park LLC were established on 21 December 2011 under the Decree of the President of the Republic of Azerbaijan.

2

Development of the country's industrial production competitiveness by the means of innovative and high technology;

3

Promote and support entrepreneurship;

Ensure stable development of non-oil sector;

4

Increase of industrial employment of the population

5

Offer foreign investors a modern approach to greenfield industrial development



The residents will avail of the opportunity to benefit the financial support from state or private organizations such as:

- **Azerbaijan Investment Company (AIC)**
- **Caspian International Investment Company (CIIC)**
- **National Fund for Entrepreneurship Support**
- **Private Investment Companies**

KEY BENEFITS FOR INVESTORS

SCIP'S RESIDENTS ARE EXEMPTED FOR 7 YEARS FROM TAXES BELOW:

- **Corporate income tax;**
- **Property tax;**
- **Land tax;**
- **VAT and customs duties for imported equipment.**

0%

The expansion of incentives portfolio is under consideration.

KEY BENEFITS FOR INVESTORS

On site raw materials

- SOCAR Polymer (polypropylene (PP) and polyethylene (HDPE))
- Methanol Plant (high - purity methanol from gas)
- Heydar Aliyev Baku Oil Refinery (A-98, A-92, A-80 gasoline, kerosene, diesel fuel, liquid gas, coke, furnace oil)
- Azerikimya PU (ethylene-polyethylene, propylene, industrial and absolute and isopropyl and di-isopropyl alcohol)
- Azerneftyağh Oil Refinery (fuels and oils, gasoline, kerosene and diesel distillates, various oils (industrial, motor, transformer etc.) and asphalt.
- Petkim Petrokimya (low and high density polyethylene, polypropylene, PVC)
- Urea Plant (ammonia, urea)



UKRAINE

RUSSIA

KAZAKHSTAN

ROMANIA

Makhachkala

Aktau

Almaty

Urumchi

Batumi / Poti

GEORGIA

Tbilisi

UZBEKISTAN

Bishkek

BULGARIA

Istanbul

Kars

Baku

Tashkent

KYRGYZISTAN

TURKEY

AZERBAIJAN

TURKMENISTAN

Samarkand

TAJIKISTAN

CHINA

Astara

Turkmenbashi

Ashgabat

Kabul

AFGHANISTAN

SYRIA

IRAK

IRAN

Bandar Abbas

Ghazvin



SUMGAIT CHEMICAL INDUSTRIAL PARK RESIDENTS

Azertexnolayn LLC

Registration date: September 23, 2013

Technology: Turkey, Germany, China

Annual production capacity: Production of corrugated polyethylene pipes and mechanical equipment, steel pipes, technical equipments.

Investment amount: **USD 102.6 mln.**

Area: 23,63 hectares

Number of employees: 750



SOCAR Polymer LLC

Registration date: September 23, 2013

Technology: Canada, Austria

Annual production capacity:
180 000 tons of polypropylene (PP)
120 000 tons of high density polyethylene (HDPE)

Investment amount: **USD 816 mln.**

Area: 35,0 hectares

Number of employees: 500



AzerFloat CJSC

Registration date: July 28, 2017

Technology: Germany (HORN Glass Industries)

Annual production capacity:

8 mln. m2 of wide range of various glass sheets with thermoforming method.

Investment amount: **USD 100 mln.**

Area: 11,97 hectares

Number of employees: 180



Azerbaijan Fibro Cement LLC

Registration date: February 05, 2015

Technology: Austria, Italy, Switzerland, Germany

Annual production capacity:

Production made of Fiber cement 6 mln. m2 roof coverings of different colors and flat plates for facade.

Investment amount: **USD 60 mln.**

Area: 10,45 hectares

Number of employees: 200



Baku Non Ferrous & Foundry

Registration date: February 19, 2016

Technology: Italy

Annual production capacity:

Ferro Silicon (FeSi) – 20 000 tons

Ferro Silicon Magnesium (FeSiMn) – 36 000 tons

Investment amount: **USD 24.9 mln.**

Area: 5,0 hectares

Number of employees: 70



SIKA LLC

Registration date: March 15, 2016

Technology: Switzerland

Annual production capacity:

Different types of construction chemicals - 5000 tons

Investment amount: **USD 3.3 mln.**

Area: 1,5 hectare

Number of employees: 60



MST Engineering Services LLC

Registration date: March 14, 2016

Technology: USA ("PARKER HANNIFIN")

Annual production capacity:

At the 1st stage, the production of 30 000 units. At the 2nd stage, the production of ultra-high pressure (720-1100) hose and steel stainless pipe joints.

Investment amount: **USD 5.0 mln.**

Area: 2,0 hectares

Number of employees: 40



Agro chemistry Azerbaijan LLC

Registration date: June 13, 2016

Technology: Italy, Turkey

Annual production capacity:

20 000 tons of pesticides

(Insecticide, Fungicide, Herbicides, in total 145 products)

Investment amount: **USD 19 mln.**

Area: 18,4 hectares

Number of employees: 100



ALCO LUBRICANT COMPANY LLC

Registration date: July 29, 2016

Technology: Germany, Italy

Annual production capacity:

Wide range of lubricating oil – 30 000 tons

Investment amount: **USD 10.0 mln.**

Area: 2,5 hectares

Number of employees: 100



STDC LLC

Registration date: March 31, 2017

Technology: USA (Dell, HP etc.)

Annual production capacity:

60 MW of information (DATA) processing,
recording and transmission.

Investment amount: **USD 60 mln.**

Area: 14,0 hectares

Number of employees: 100



AZERKHALCHA OJSC

Registration date: September 11, 2017

Technology: Italy, France, Turkey

Annual production capacity:

Production of 400 tons of wool and 250 tons of wool yarn

from 1500 tons of raw (dirty) wool processing.

Investment amount: **USD 18.0 mln.**

Area: 6,4 hectares

Number of employees: 100



STP LLC

Registration date: November 03, 2017

Technology: Germany, Japan, China

Annual production capacity:

Production of various industrial products (Cable, polymeric products, sandwich panels, metal structures, metal casting and etc.)

Investment amount: **USD 673 mln.**

Area: 156,7 hectares

Number of employees: 2000



TABATERRA CJSC

Registration date: November 17, 2017

Technology: Great Britain, Germany,
Italy

Annual production capacity:

Production of 7 billion cigarettes per year
(tobacco products)

Investment amount: **USD 32 mln.**

Area: 5,52 hectares

Number of employees: 200



SOCAR Carbamide Plant

Registration date: December 06, 2017

Technology: HALDOR TOPSOE of Denmark
& STAMICARBON B.V. of the Netherlands

Annual production capacity:

650 thousand tons of nitrogen fertilizer per
year - Carbamide

Investment amount: **USD 895 mln.**

Area: 39,27 hectares

**Number of employees: 500 (During the
period of the construction - 1800)**



SumPlast LLC

Registration date: December 11, 2017

Technology: Germany (WINDMOELLER & HOELSCHER)

Annual production capacity:

1 300 tons of polymer bags for industrial use
per year

Investment amount: **USD 3 mln. (100%
credit by PASHA Bank OJSC)**

Area: 1,0 hectare

Number of employees: 30



LabDisc Azerbaijan LLC

Registration date: February 06, 2018

Technology: Israel

Annual production capacity:

During the last 6 months of 2018, 260 different
types of products will be produced in the
assembly shop. In 2025 the production will reach
its maximum level and amount to 2,080 pieces.

Investment amount: **USD 300 000**

Area: 0,02 hectare

Number of employees: 43



COOPERATION OPPORTUNITIES

- Caustic soda
- Chlorine
- Supply of spare parts for ship building
- Pharmaceuticals and medical equipment
- PP & HDPE outputs (based on local raw materials)
- Bitumen based insulation materials
- Construction chemicals
- Automobile spare parts and components
- Tire and Tire production
- Car batteries
- Engine oils and filters
- Ammonia
- Acids



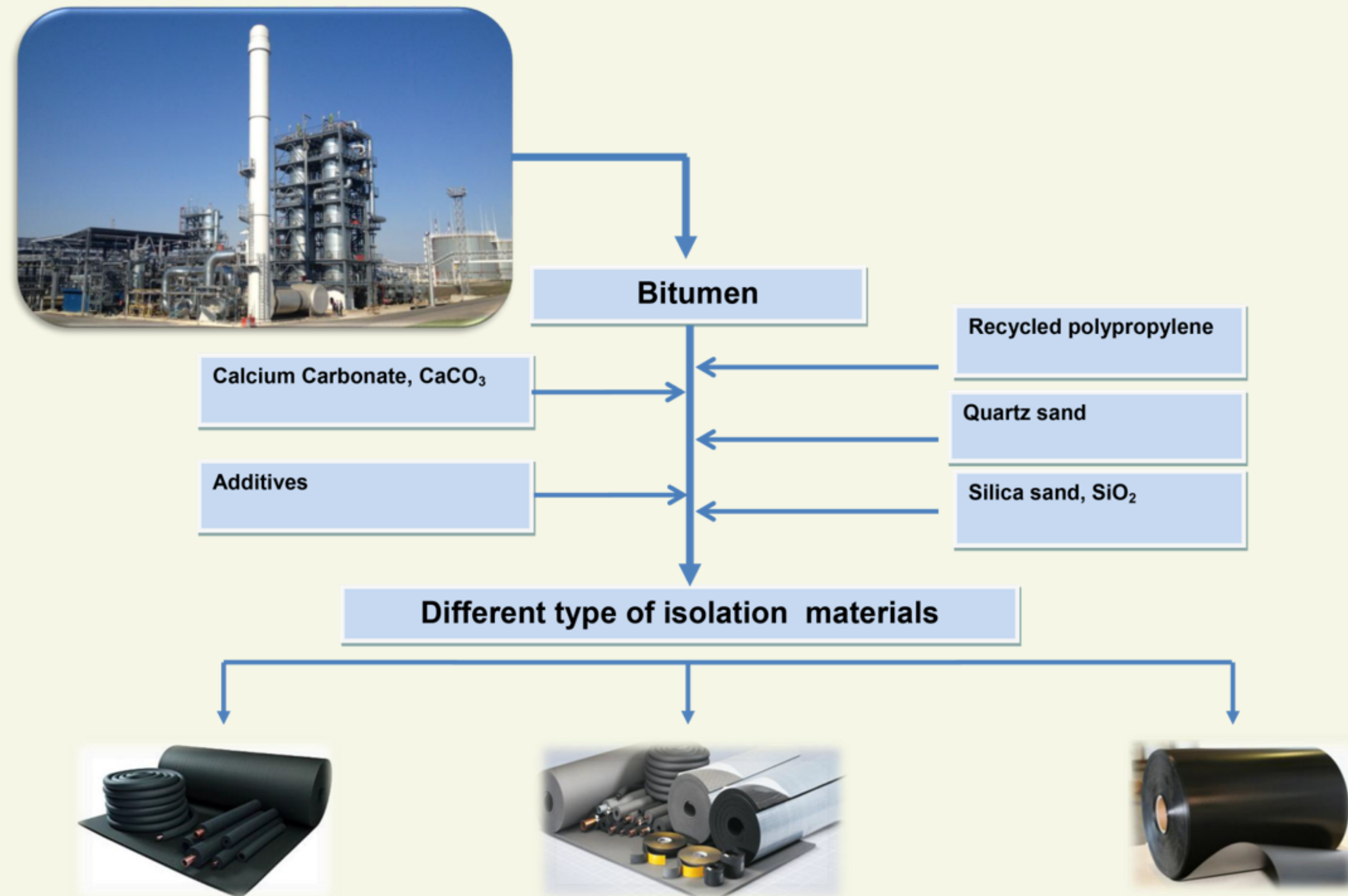
Bitumen based isolation materials production

Project: Project Snapshot

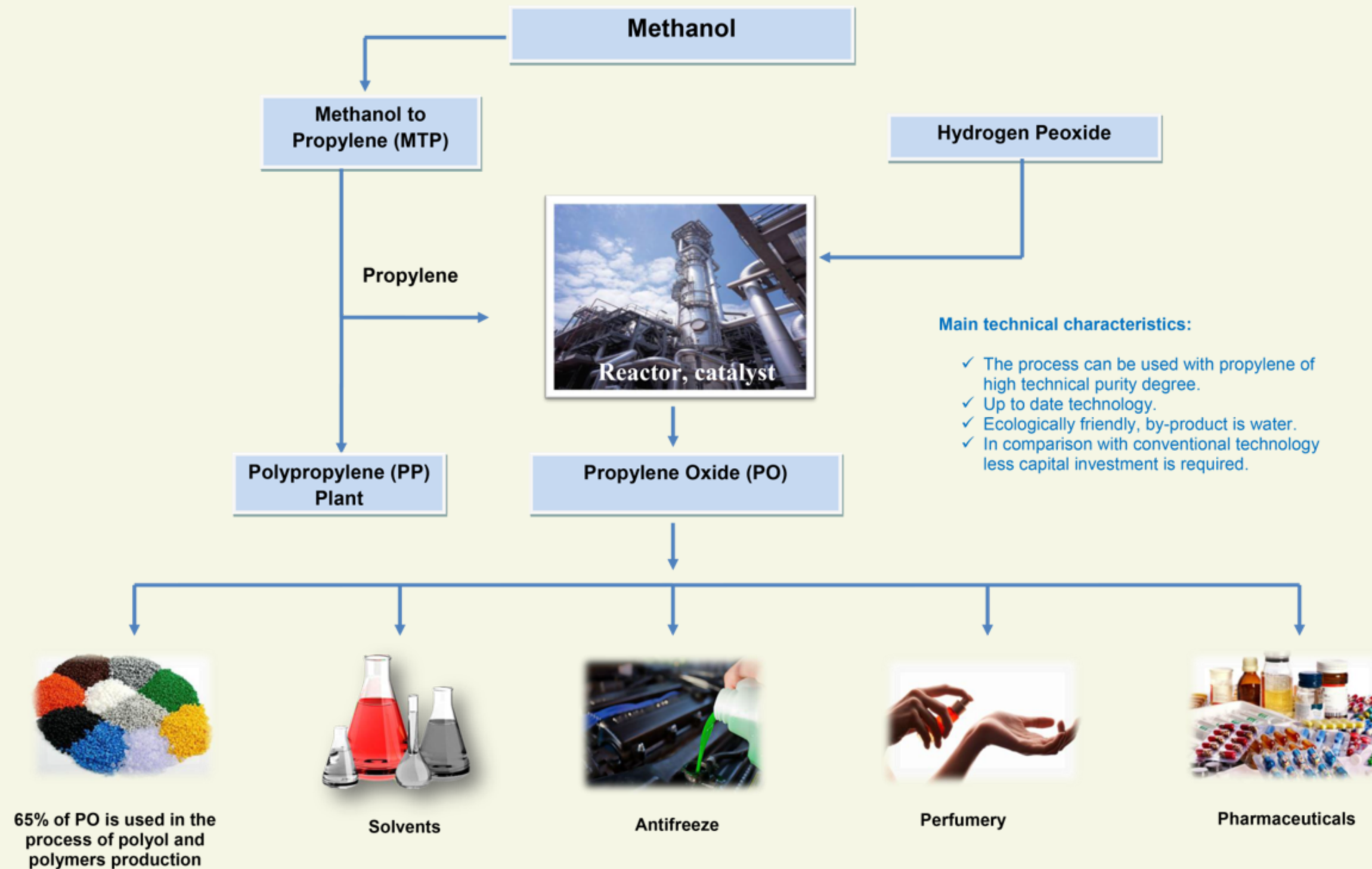
- **Project Name** Bitumen based isolation materials production Project
- **Location** Sumgait Chemical Industrial Park with major tax and duty exemptions granted for 7 years (profit, property, import VAT and land taxes). Required area is 5 hectares
- **Configuration** 100 ktpa of different type of isolation materials
- **Required investment** Approximately USD 35 000 000 - 40 000 000
- **Feedstock supply** Technical bitumen, CaCO₃, silica sand SiO₂, quartz sand and Recycled PP available in local market. Only some additives necessary to add into the bitumen will be imported
- **Markets** Azerbaijan, Russia, Kazakhstan, Turkmenistan, Uzbekistan, Kyrgyzstan, Georgia, Islamic Republic of Iran

Bitumen based isolation materials production

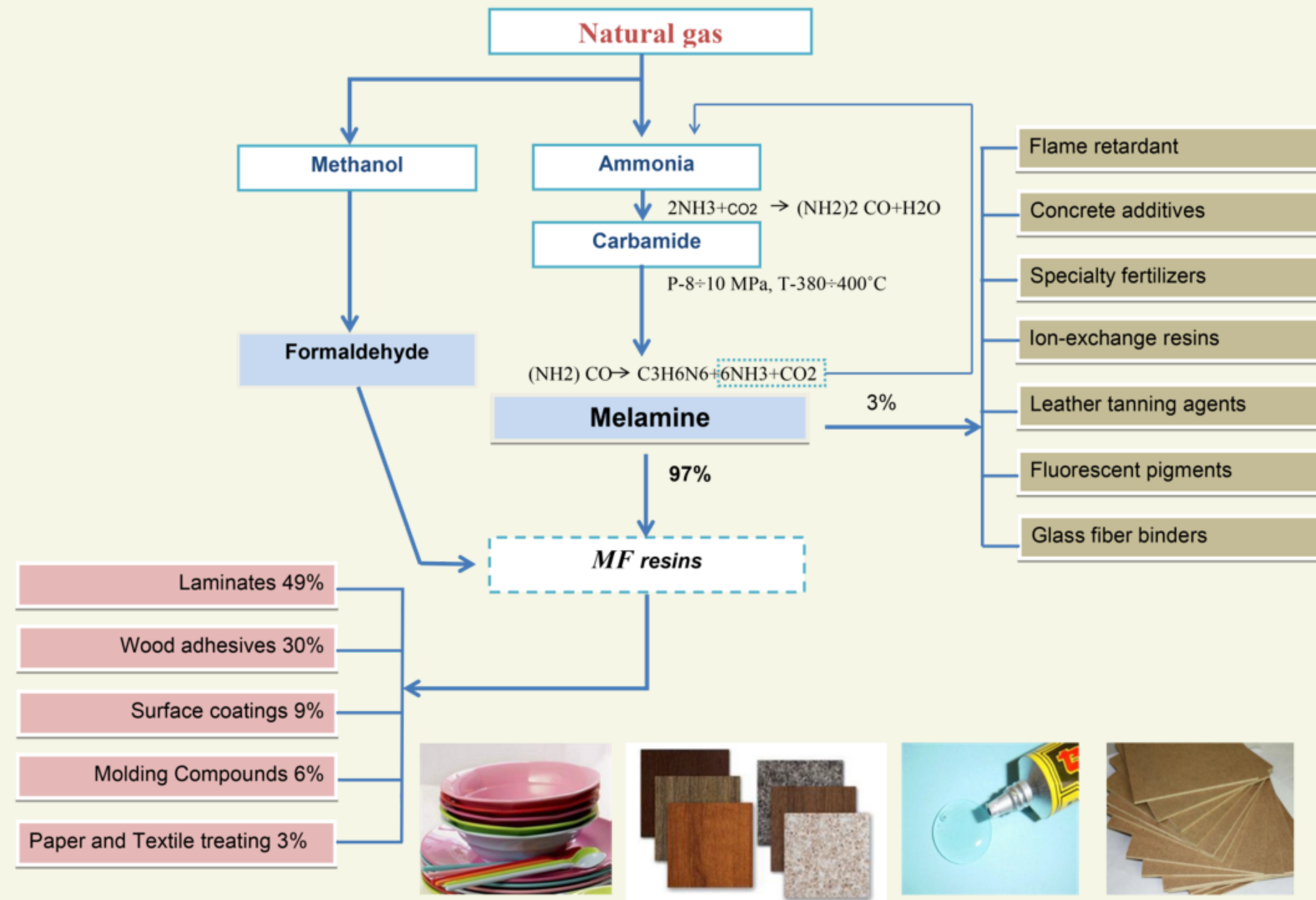
Project



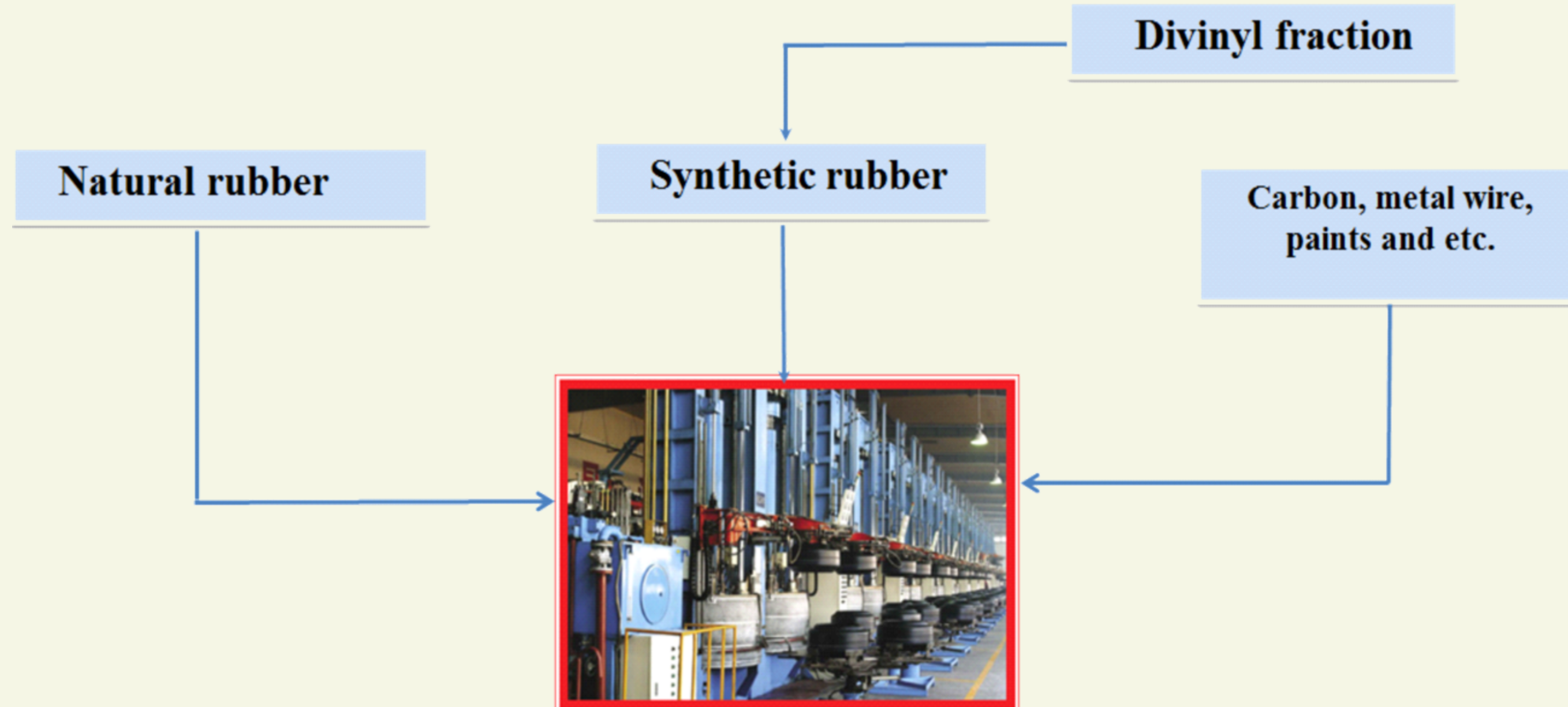
Methanol to Propylene Oxide Production Project



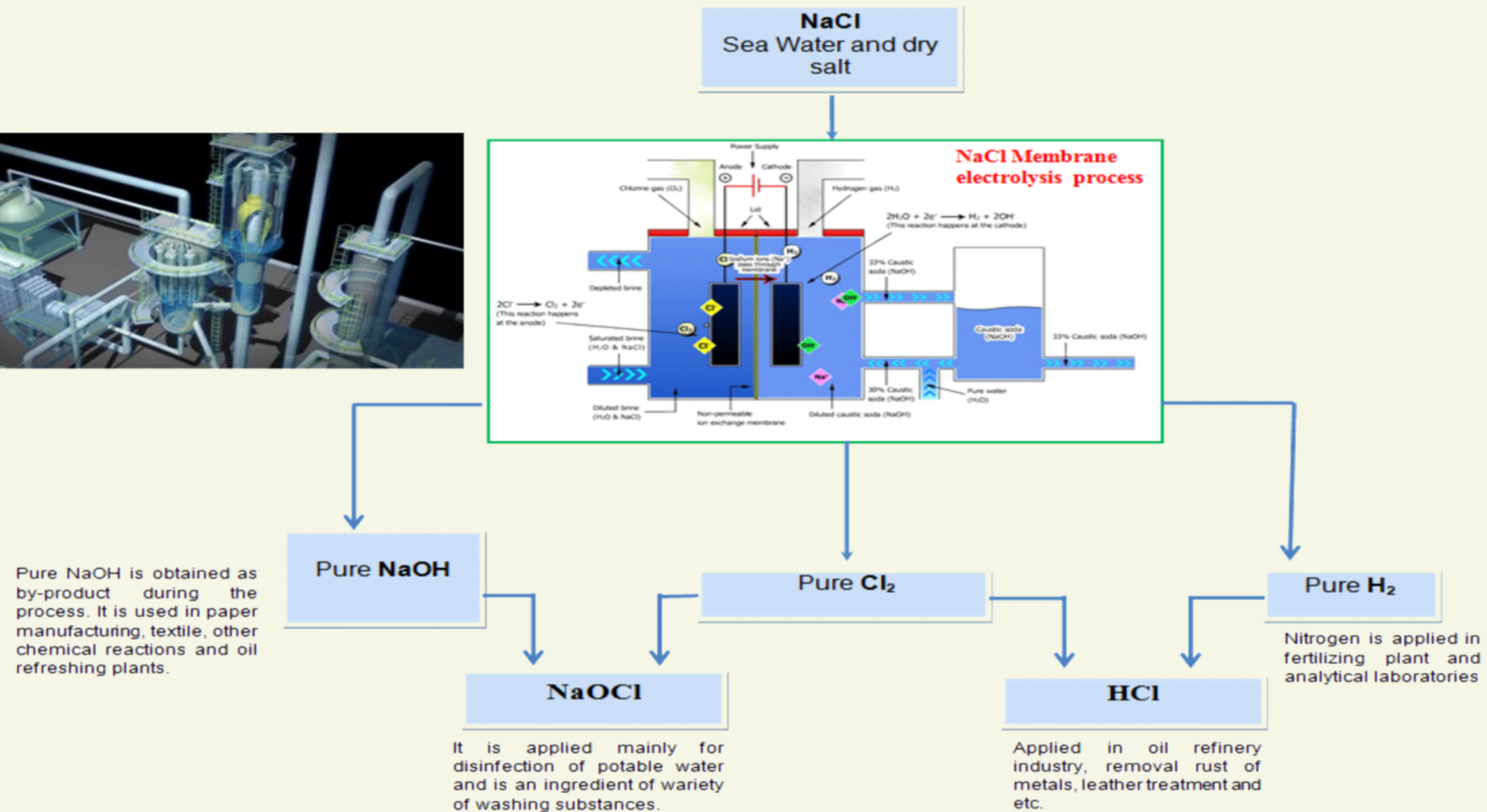
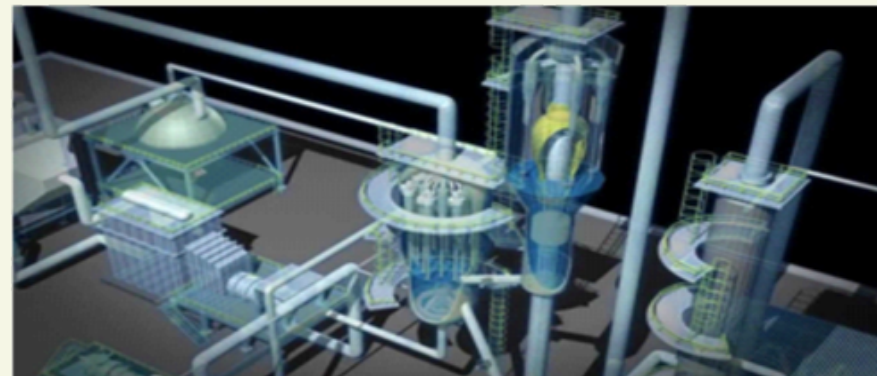
Melamine Production Project



Tyre and Rubber Production Project



CHLORINE AND CHLORINE PRODUCTS PROJECT



INDUSTRIAL PARKS



Sumgait Chemical Industrial Park” LLC is a managing company of Garadagh, Mingachevir and Pirallahi Industrial Parks:

- **Garadagh** Industrial Park is specialized in shipyard, ship building and ship repair
- **Pirallahi** Industrial Park is specialized in pharmaceuticals and medical equipment
- **Mingachevir** Industrial Park is specialized in light industry and textile



SUMGAIT TECHNOLOGIES PARK

STP as a giant, multilateral enterprise was established within those conditions and plays an important role in the development of our industry. STP, which contributes to the development of a stable economy is one of the largest tax payers. STP as a pioneer in the establishment of Technological Park in the region, is also a complex of plants qualified in different manufacturers. STP is a unique project in the region capable to satisfy the requirements of domestic market as well as foreign market.

The establishment of a such an Industrial Center in Sumgait city is not only a boost in economic development of Azerbaijan, but also is a restoration of the historical traditions of Sumgait founded as an industrial center in the Caucasus.

All production facilities are equipped with the best technological equipment manufactured in Europe where raw materials are imported from the leading European countries.

Products

- Electrical equipment
- Machine building
- Steel fabrication
- Polymeric Product
- Overhead cranes
- Hot galvanizing
- Sandwich panels
- Payment terminal
- Ventilation systems
- Solar collectors
- Technical gases
- Powder coating
- PVC windows



GARADAGH INDUSTRIAL PARK

Garadagh Industrial Park "was established for the construction, repair and performance of offshore and offshore engineering works of various types of vessels meeting the most up-to-date requirements.

Residents are released for 7 years:

- Corporate income tax
- Land tax
- Property tax
- VAT on imported equipment
- Customs duty on imported equipment
- Time to import products for production purposes
- VAT (for 5 years)

MINGACHEVIR INDUSTRIAL PARK

Mingachevir Industrial Park was constructed for the development of light industry

Residents are released for 7 years:

- Corporate income tax
- Land tax
- Property tax
- VAT on imported equipment
- Customs duty on imported equipment

Advantages:

To ability to obtain short-term and long-term loans on favorable terms, rent of land and industrial buildings on affordable prices, tax and customs privileges, the main access to highways, railways, international air and sea ports, simplification of procedures, and a single window for addressing administrative issues

The background of the entire slide is a teal-tinted image of a city skyline. The top half shows a distant skyline with a prominent tall building, while the bottom half shows a closer, more detailed view of city buildings and streets.

THANK YOU FOR YOUR ATTENTION!

OFFICE OF THE TRADE REPRESENTATIVE
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